

Core Business Process VI - Institutional Eligibility and Monitoring Process
Risk Mitigation and Contingency Options Matrix
Business Sub-Process: Institutional Eligibility and Certification

Minimum Acceptable Level of Service: NA

Decomposition of Sub-Process:				ED receives and accepts application either electronically (over web) or in hard copy				
Core Business Process:				Schools prepare and submit completed applications				
Scenario Section				Business Priority Section			Possible Options	
Failure Source	Threat/ Failure Scenario	Impact/End Result	Earliest Failure Date	Business Priority Impact Rating	Risk Rating	Priority Rating	Risk Mitigation Options	High-Level Contingency Options
Electronic App. Or Hard Copy	An ED electronic application fails to function or produces inaccurate data.	An institution will not be able to submit an application via the web.	1/3/2000	Low	Low	Low	<p>To mitigate the risk that an ED electronic application fails to function or produces inaccurate data, ED would:</p> <ul style="list-style-type: none"> Upgrade web application software to the most current Y2K compliant version. 	<p>In the case that an ED electronic application fails to function or produces inaccurate data, ED would institute the following contingencies:</p> <ul style="list-style-type: none"> Print all electronic applications submitted, but not processed, immediately prior to the failure date Allow or encourage institutions to submit applications using a manual process. Process applications manually

Core Business Process VI - Institutional Eligibility and Monitoring Process
Risk Mitigation and Contingency Options Matrix
Business Sub-Process: Institutional Eligibility and Certification

Minimum Acceptable Level of Service: 1-2 Business Days

Decomposition of Sub-Process:				ED receives and accepts financial statements, compliance audits, notifications, closures, and accrediting info				
Core Business Process:				Schools prepare and submit completed applications				
Scenario Section				Business Priority Section			Possible Options	
Failure Source	Threat/ Failure Scenario	Impact/End Result	Earliest Failure Date	Business Priority Impact Rating	Risk Rating	Priority Rating	Risk Mitigation Options	High-Level Contingency Options
None	The infrastructure For mail delivery fails.	An institution will not be able to transmit necessary documents to ED.	1/3/2000	Low	Low	Low	To mitigate the risk that the infrastructure for mail delivery fails, ED would: <ul style="list-style-type: none"> • Identify multiple alternative carrier services • Encourage institutions that are submitting recertification applications, considering changes in ownership or which are new participants to time their submissions to avoid the possibility of a Y2K related delay. 	In the case that the infrastructure for mail delivery fails, ED would institute the following contingencies: <ul style="list-style-type: none"> • Utilize facsimile machine, e-mail, and electronic applications on the web. • ED may allow participating institutions to continue to participate on a month to month basis.

Core Business Process VI - Institutional Eligibility and Monitoring Process
Risk Mitigation and Contingency Options Matrix
Business Sub-Process: Institutional Eligibility and Certification

Minimum Acceptable Level of Service: 3-5 Business Days

Decomposition of Sub-Process:				DRCC logs receipt of documents			
Core Business Process:				Document Receipt and Control Center (DRCC) processes applications			
Scenario Section				Business Priority Section			Possible Options
Failure Source	Threat/ Failure Scenario	Impact/End Result	Earliest Failure Date	Impact Rating	Risk Rating	Priority Rating	
Lotus Notes, Microsoft Access	A failure occurs in the Lotus Notes or in a Microsoft Access Database.	Applications cannot be recorded in a tracking database and must be physically tracked. Erroneous capture of information may exist.	1/3/2000	Low	Low	Low	<p>To mitigate the risk that a failure occurs in the Lotus Notes or Microsoft Access database, ED would:</p> <ul style="list-style-type: none"> Obtain most current version of COTS software.
							<p>In the case that a failure occurs in the Lotus Notes or Microsoft Access database, ED would institute the following contingencies:</p> <ul style="list-style-type: none"> Maintain records manually. Provide a secure location for storage of application-related documents.

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Risk Mitigation and Contingency Options Matrix
Business Sub-Process: Institutional Eligibility and Certification

Minimum Acceptable Level of Service: 3-5 Business Days

Decomposition of Sub-Process: DRCC screens documents for completeness and forwards to Case Management for review								
Core Business Process:				Document Receipt and Control Center (DRCC) processes applications				
Scenario Section				Business Priority Section			Possible Options	
Failure Source	Threat/ Failure Scenario	Impact/End Result	Earliest Failure Date	Business Impact Rating	Business Risk Rating	Business Priority Rating	Risk Mitigation Options	High-Level Contingency Options
Lotus Notes, Microsoft Access, Excel	Microsoft Excel fails to operate, operates incorrectly or produces erroneous data.	Applications cannot be recorded in a tracking database and must be physically tracked. Erroneous capture of information may exist.	1/3/2000	Low	Low	Low	<p>To mitigate the risk that Microsoft Excel fails to operate, operates incorrectly or produces erroneous data, ED would:</p> <ul style="list-style-type: none">Obtain the most current version of COTS softwareCreate a backup in a machine readable format .	<p>In the case that Microsoft Excel fails to operate incorrectly or produces erroneous data. ED would institute the following contingencies:</p> <ul style="list-style-type: none">Calculate financial ratios manually.Provide a secure location for storage of application-related documents.

Core Business Process VI - Institutional Eligibility and Monitoring Process
Risk Mitigation and Contingency Options Matrix
Business Sub-Process: Institutional Eligibility and Certification

Minimum Acceptable Level of Service: 5-10 Business Days

Decomposition of Sub-Process:				Application and institutional eligibility are reviewed by case team				
Core Business Process:				Case management team performs comprehensive reviews				
Scenario Section				Business Priority Section			Possible Options	
Failure Source	Threat/ Failure Scenario	Impact/End Result	Earliest Failure Date	Impact Rating	Risk Rating	Priority Rating	Risk Mitigation Options	High-Level Contingency Options
None	Manual process	None	NA	Low	Low	Low	None	None

Core Business Process VI - Institutional Eligibility and Monitoring Process
Risk Mitigation and Contingency Options Matrix
Business Sub-Process: Institutional Eligibility and Certification

Minimum Acceptable Level of Service: 5-10 Business Days

Decomposition of Sub-Process: Core Business Process:				Financial statements and audits are reviewed by case team Case management team performs comprehensive reviews				
Scenario Section				Business Priority Section			Possible Options	
Failure Source	Threat/ Failure Scenario	Impact/End Result	Earliest Failure Date	Business Impact Rating	Business Risk Rating	Business Priority Rating	Risk Mitigation Options	High-Level Contingency Options
Microsoft Excel	Microsoft Excel fails to operate, operates incorrectly or produces erroneous data.	Financial ratios cannot be calculated in spreadsheet and must be calculated by hand.	1/3/2000	Low	Low	Low	To mitigate the risk that Microsoft Excel fails to operate, operates incorrectly or produces erroneous data, ED would: <ul style="list-style-type: none">Obtain the most current version of COTS software.	In the case that Microsoft Excel fails to operate, operates incorrectly or produces erroneous data, ED would institute the following contingencies: <ul style="list-style-type: none">Calculate financial ratios manually.Provide a secure location for storage of application-related documents.

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Business Sub-Process: Institutional Eligibility and Certification

Minimum Acceptable Level of Service: 5-10 Business Days

Decomposition of Sub-Process:				Case team verifies accreditation and state licensure information				
Core Business Process:				Case management team performs comprehensive reviews				
Scenario Section				Business Priority Section			Possible Options	
Failure Source	Threat/ Failure Scenario	Impact/End Result	Earliest Failure Date	Impact Rating	Risk Rating	Priority Rating	Risk Mitigation Options	High-Level Contingency Options
None	Manual process	None	NA	Low	Low	Low	None	None

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Business Sub-Process: Institutional Eligibility and Certification

Minimum Acceptable Level of Service: 5-10 Business Days

Decomposition of Sub-Process: Core Business Process:				Case team checks for unresolved compliance audit or program review issues/liabilities Case management team performs comprehensive reviews				
Scenario Section				Business Priority Section			Possible Options	
Failure Source	Threat/ Failure Scenario	Impact/End Result	Earliest Failure Date	Business Impact Rating	Priority Risk Rating	Priority Rating	Risk Mitigation Options	High-Level Contingency Options
PEPS CMIS	PEPS and/or CMIS fails to operate, operates incorrectly, or produces erroneous data.	Case management is unable to determine the existence of unpaid liabilities or the status of open program or compliance reviews.	1/3/2000	Low	Low	Low	To mitigate the risk that PEPS and/or CMIS fails to operate, ED would create a backup of data for all participating schools in a machine-readable format.	<p>In the case that PEPS and/or CMIS fails to operate, ED would institute the following contingencies:</p> <ul style="list-style-type: none"> • Restore from backup to a Y2K compliant application. • Maintain a shadow database in a Y2K compliant application. • Require notification of a new issue by the audit/program review staff. • Manually check program review/audit files. • Contact finance regarding information on liabilities. • Maintain hardcopy research data on institutions.

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Business Sub-Process: Institutional Eligibility and Certification

Minimum Acceptable Level of Service: 5-10 Business Days

Decomposition of Sub-Process: Core Business Process:				Case team checks default data Case management team performs comprehensive reviews				
Scenario Section				Business Priority Section			Possible Options	
Failure Source	Threat/ Failure Scenario	Impact/End Result	Earliest Failure Date	Business Impact Rating	Risk Rating	Priority Rating	Risk Mitigation Options	High-Level Contingency Options
PEPS	PEPS fails to operate, operates incorrectly, or produces erroneous data.	Case management is unable to determine whether institution has lost FFELP and/or Pell/DL eligibility due to excessive default rates.	1/3/2000	Low	Low	Low	To mitigate the risk that PEPS fails to operate, operates incorrectly, or produces erroneous data, ED would <ul style="list-style-type: none">Create a backup of data for all participating schools in a machine-readable format.Calculate default rates for institutions early.	In the case that PEPS fails to operate, operates incorrectly, or produces erroneous data, ED would institute the following contingencies: <ul style="list-style-type: none">Restore from backup to a Y2K compliant application.Access default data directly from the NSLDS system.Maintain hardcopy of the default rates.

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Minimum Acceptable Level of Service: 5-10 Business Days

Decomposition of Sub-Process: Core Business Process:				Case team updates PEPS and CMIS Case management team updates ED internal systems				
Scenario Section				Business Priority Section			Possible Options	
Failure Source	Threat/ Failure Scenario	Impact/End Result	Earliest Failure Date	Business Impact Rating	Business Risk Rating	Business Priority Rating	Risk Mitigation Options	High-Level Contingency Options
PEPS	PEPS fails to operate, operates incorrectly, or produces erroneous data.	Case management is unable to determine whether institution is eligible to participate in the Title IV programs.	1/3/2000	Low	Low	Low	To mitigate the risk that PEPS fails to operate, operates incorrectly, or produces erroneous data, ED would <ul style="list-style-type: none"> Create a backup of data for all participating schools in a machine-readable format. Print out a hard copy list of eligible institutions. 	In the case that PEPS fails to operate, operates incorrectly, or produces erroneous data, ED would institute the following contingencies: <ul style="list-style-type: none"> Restore from backup to a Y2K compliant application. Use a manual process to confirm institutional eligibility in response to inquiries. Use PEPS shadow database to research institutions status.

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Minimum Acceptable Level of Service: 5-10 Business Days

Decomposition of Sub-Process: Core Business Process:				Case team initiates stop pays and/or notifies AAAD to initiate administrative action if necessary Case management team updates ED internal systems				
Scenario Section				Business Priority Section			Possible Options	
Failure Source	Threat/ Failure Scenario	Impact/End Result	Earliest Failure Date	Business Priority Impact Rating	Risk Rating	Priority Rating	Risk Mitigation Options	High-Level Contingency Options
E-mail Microsoft Outlook	E-mail and/or Microsoft Outlook fails to operate, operates incorrectly, or produces erroneous data.	AAAD will be unaware that a request to initiate administrative actions has been made, and may delay initiating an administrative action to limit or suspend an institutions access to federal dollars.	1/3/2000	Low	Low	Low	To mitigate the risk that E-mail and/or Microsoft Outlook fails to operate, operates incorrectly, or produces erroneous data, ED would <ul style="list-style-type: none">Obtain most current version of COTS software.Establish an alternative communication method, (i.e. memorandum, morning briefings, etc.)	In the case that E-mail and/or Microsoft Outlook fails to operate, operates incorrectly, or produces erroneous data, ED would revert to manual notifications, which will be in the form of a written correspondence.

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Minimum Acceptable Level of Service: 1 Business Day

Decomposition of Sub-Process: Core Business Process:				Case or AAAD notifies EDCAPS to cease disbursing federal funds AAAD notifies EDCAPS regarding “emergency actions to stop payment”				
Scenario Section				Business Priority Section			Possible Options	
Failure Source	Threat/ Failure Scenario	Impact/End Result	Earliest Failure Date	Business Impact Rating	Priority Risk Rating	Priority Rating	Risk Mitigation Options	High-Level Contingency Options
EDCAPS	EDCAPS fails to operate, therefore a stop pay flag cannot be entered	EDCAPS is unaware that a “stop payment” order has been issued and therefore continues to permit the institution to draw federal funds— Increasing the risk of loss of taxpayer dollars.	1/3/2000	Low	Low	Low	<p>To mitigate the risk that EDCAPS fails to operate, operates incorrectly, or produces erroneous data, ED would</p> <ul style="list-style-type: none"> Obtain most current version of COTS software. Establish an alternative communication method, (i.e. memorandum, morning briefings, etc.) 	<p>In the case that EDCAPS fails to operate, operates incorrectly, or produces erroneous data, ED would institute the following contingencies:</p> <ul style="list-style-type: none"> Revert to manual notifications which will be in the form of a written correspondence. Write notices to a diskette and transfer them via courier. Manual override of the system may occur by EDCAPS staff.

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Minimum Acceptable Level of Service: 1-5 Business Days

Decomposition of Sub-Process:				Letter to institution is generated			
Core Business Process:				Case management team updates external parties			
Scenario Section				Business Priority Section			Possible Options
Failure Source	Threat/ Failure Scenario	Impact/End Result	Earliest Failure Date	Impact Rating	Risk Rating	Priority Rating	
PEPS Microsoft Word	PEPS may fail to operate correctly, producing incorrect data.	Data extracted for automated letter creation cannot be produced. Individual letters must be produced.	1/3/2000	Low	Low	Low	<p>To mitigate the risk that PEPS may fail to operate correctly or may produce incorrect data, ED would create a backup of data for all participating schools in a machine readable format.</p> <p>In the case that PEPS may fail to operate correctly or may produce incorrect data, ED would institute the following contingencies:</p> <ul style="list-style-type: none"> • Restore data from a backup to a Y2K compliant application • Use a manual process for the creation of letters

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Minimum Acceptable Level of Service: 1-5 Business Days

Decomposition of Sub-Process: Core Business Process:				Program Participation Agreement is created Case management team updates external parties				
Scenario Section				Business Priority Section			Possible Options	
Failure Source	Threat/ Failure Scenario	Impact/End Result	Earliest Failure Date	Business Impact Rating	Priority Risk Rating	Priority Rating	Risk Mitigation Options	High-Level Contingency Options
Microsoft Word	PEPS may fail to operate correctly or produce incorrect data.	An incorrect Program Participation Agreement may not reflect accurate conditions of participation or administrative limitations constraining the institution's ability to access federal funds.	1/3/2000	Low	Low	Low	To mitigate the risk that PEPS may fail to operate correctly or may produce incorrect data, ED would create a backup of data for all participating schools in a machine readable format.	In the case that PEPS may fail to operate correctly or may produce incorrect data, ED would institute the following contingencies: <ul style="list-style-type: none"> • Restore data from a backup to a Y2K compliant application • Use a manual process for the creation of letters

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Minimum Acceptable Level of Service: Monthly

Decomposition of Sub-Process: Core Business Process:				Guaranty agencies get periodic reports Case management team updates external parties				
Scenario Section				Business Priority Section			Possible Options	
Failure Source	Threat/ Failure Scenario	Impact/End Result	Earliest Failure Date	Business Impact Rating	Priority Risk Rating	Priority Rating	Risk Mitigation Options	High-Level Contingency Options
PEPS	PEPS may fail to operate correctly or produce incorrect data.	Lists of eligible institutions and information regarding institution’s status and/or default rates may not be provided to Guaranty agencies in a timely manner.	1/3/2000	Low	Low	Low	To mitigate the risk that PEPS may fail to operate correctly or may produce incorrect data, ED would create backup of data for all participating schools in a machine readable format, and make frequent incremental backups to identify changes.	In the case that PEPS may fail to operate correctly or may produce incorrect data, ED would institute the following contingencies: <ul style="list-style-type: none">Restore data from a backup to a Y2K compliant applicationUse a manual process to notify guaranty agencies.

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Minimum Acceptable Level of Service: Quarterly

Decomposition of Sub-Process:				State and Accrediting agencies get notification of adverse action			
Core Business Process:				Case management team updates external parties			
Scenario Section				Business Priority Section			Possible Options
Failure Source	Threat/ Failure Scenario	Impact/End Result	Earliest Failure Date	Impact Rating	Risk Rating	Priority Rating	
Microsoft Word	Microsoft Word fails to operate correctly or operates incorrectly or produces erroneous data.	Letter to accrediting agencies may not be produced in a timely manner.	1/3/2000	Low	Low	Low	<p>Risk Mitigation Options</p> <p>To mitigate the risk that the Microsoft Word fails to operate, operates incorrectly or produces erroneous data, ED would identify alternative communication strategies such as e-mail or file transfer.</p> <p>High-Level Contingency Options</p> <p>In the case that Microsoft Word fails to operate, operates incorrectly or produces erroneous data, ED would utilize a redundant communication process.</p>